



Notice of Public Hearings

PUBLIC PROCEEDINGS: The State Department of Mental Health (DMH) is in the process of requesting a fourth renewal of the Federal 1915(b) waiver related to the Medi-Cal Specialty Mental Health Services Consolidation program. Notice is hereby given that DMH will conduct two public hearings to introduce and review the changes included in the waiver request. The public hearings will take place as follow:

Date: October 6, 2004
Time: 1:30 p.m. to 4:30 p.m.
Location: 744 P Street Auditorium
Sacramento, CA 95814

Date: October 12, 2004
Time: 1:30 p.m. to 4:30 p.m.
Location: 300 S. Spring St.,
Los Angeles, CA 90013

Telephone Conference Capabilities

Toll Free Dial In Number: (877) 300-8186
Participant Code: 118963

Telephone Conference Capabilities

Toll Free Dial In Number: (888) 285-4586
Participant Code: 386475

Sign language interpreting services will be available at the public hearings. Additional reasonable accommodations will be provided upon request. Requests should be made at least 15 days prior to the meeting you wish to attend. Persons wishing to utilize the California Relay Service to request information about these hearings may do so at no cost by calling: 1-800-735-2929, if you have a TDD; or 1-800-735-2922, if you do not have a TDD.

CONTACT/ATTENDANCE: Please direct any inquiries concerning the activities described in this notice to Rita McCabe-Hax. To the extent possible, please confirm your participation to Ms. McCabe-Hax. Her information is listed below. In submitting your confirmation please provide your name, name of the organization (if applicable), the date you are participating, and whether you will participate in person or via telephone conference.

Rita McCabe-Hax, LCSW
Chief, Medi-Cal Policy and Support Section
Department of Mental Health
1600 9th Street Room 100
Sacramento, CA 95814
(1-916) 654-5722

E-mail: rmccabe@dmhhq.state.ca.us

COMMENTS:

DMH is welcoming comments from any interested party. Comments must be received no later than 5:00 p.m. on October 12, 2004 and may be submitted via the United States Postal Service, facsimile, email, or hand delivered to:

Rita McCabe-Hax, LCSW
Chief, Medi-Cal Policy and Support Section
Department of Mental Health
1600 9th Street Room 100,
Sacramento, CA 95814
Fax: 1-916-654-5591
Email: rmccabe@dmhhq.state.ca.us

DMH does not plan to issue a formal response to the submitted comments; however, DMH will take the comments into consideration in the process of working with the Department of Health Services (DHS) to finalize the 1915(b) Federal waiver renewal request for the Medi-Cal Specialty Mental Health Services Consolidation Waiver Program.

HISTORY:

Medicaid is a joint Federal and State health care program for eligible low-income individuals. States have some flexibility in how they administer their Medicaid programs and programs vary from state to state. Each state's Medicaid program is described in detail in its state plan and waiver programs as approved by Centers for Medicare and Medicaid Services (CMS). California's Medicaid program, Medi-Cal, is administered by DHS. The California Medi-Cal mental health managed care program is administered by DMH via an Interagency Agreement with DHS and waivers approved by CMS under Section 1915(b) of the Social Security Act. The 1915(b) waiver allows California to continue to implement a system designed to have statewide implementation of a single mental health plan (MHP) in each county. County mental health departments currently serve as the MHPs in all counties.

DMH is in the process of requesting a fourth renewal of the 1915(b) waiver for the Medi-Cal Specialty Mental Health Services Consolidation program. In discussing the waiver, the terms "initial waiver period" and "first waiver renewal" (or "modified waiver"), "second waiver renewal," "third waiver renewal" and "fourth waiver renewal request" are used.

The initial waiver period is used to mean the Medi-Cal Psychiatric Inpatient Hospital Services Consolidation waiver program that was in effect from March 17, 1995 through September 5, 1997.

The first waiver renewal or modified waiver refers to the waiver that was modified and renamed the Medi-Cal Specialty Mental Health Services Consolidation; it was in effect from September 5, 1997 through November 19, 2000.

The second waiver renewal refers to the waiver period effective November 20, 2000, through April 27, 2003.

The third waiver renewal refers to the current waiver, which took effect April 28, 2003, and is due to expire April 27, 2005.

The fourth waiver renewal request refers to the renewal request currently in process to renew the Medi-Cal Specialty Mental Health Services Consolidation waiver, which it is proposed to be in effect from April 1, 2005 through March 31, 2007.

Program Design for Medi-Cal Mental Health Managed Care

The California's Medi-Cal mental health managed care program was designed to include three phases, to be put into operation over several years. Medi-Cal Psychiatric Inpatient Hospital Services Consolidation was the first phase, based on the authority granted by the freedom of choice waiver approved by the CMS effective March 17, 1995.

DMH is currently in the second phase of consolidation. The second phase began in September 1997 and consisted of renewing, modifying, and renaming the Medi-Cal Psychiatric Inpatient Hospital Services Consolidation waiver to Medi-Cal Specialty Mental Health Services Consolidation; this was approved by CMS on September 5, 1997. In the second phase, the MHPs became responsible for authorization and payment of professional specialty mental health services that were previously reimbursed through the Fee-for-Service/Medi-Cal (FFS/MC) claiming system. At that time, both inpatient hospital and professional Medi-Cal specialty mental health services previously reimbursed through FFS/MC and the Short Doyle/Medi-Cal claiming systems, became the responsibility of the MHP in each county.

The second and third request for waiver renewal continued the program under the second phase design; however, changes were incorporated in the third waiver renewal to comply with the federal Medicaid Managed Care (MCC) regulations, which were effective August 13, 2002 and due to be implemented by August 13, 2003.

The fourth waiver renewal request will continue the existing program design; however further changes have been incorporated to reach full compliance with the federal MMC regulations.

The final planned phase would be the transfer of risk for federal financial participation (FFP) through capitation or other risk arrangements. This phase is currently on hold due to uncertainty regarding Medi-Cal policy and fiscal issues at both state and federal levels.

Please refer to ["Discussion Points: Medi-Cal Specialty Mental Health Services Consolidation Waiver Program"](#) for a briefing document on the waiver renewal request.

INTERNET LINKS TO SUPPORTING DOCUMENTATION:

- The current Medi-Cal Specialty Mental Health Services Consolidation Waiver can be found at: <http://www.cms.hhs.gov/medicaid/1915b/ca1915bsmhscp.asp>
- Medi-Cal Specialty Mental Health Services regulations are located at:
<http://www.dmh.ca.gov/Admin/regulations/SPEC/Text.pdf>

or

<http://www.oal.ca.gov/>